

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997: Docket No. R97-1

THE PARCEL SHIPPERS ASSOCIATION (PSA)
INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS
TO UNITED PARCEL SERVICE (PSA/UPS-1, 2, 3, 4, and 5)

The Parcel Shippers Association (PSA) requests United Parcel Service to respond, fully and completely, to the following interrogatories and requests for production of documents pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure.

Respectfully submitted,



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Counsel for Parcel Shippers Association

Dated: January 28, 1998

PSA/UPS-1

In its Intervenor's Statement filed January 8, 1998, UPS identified the following package services that it provides to customers: service, air, and international services, and states that it competes with the Postal Service in:

- (a) International express mail;
- (b) Other international services;
- (c) Domestic express mail;
- (d) Priority mail;
- (e) Parcel post; and
- (f) Other package services provided by the Postal Service.

Please provide for the latest period for which this information is available, the numbers of parcels that UPS transported for customers broken down by the identifiable categories above; and furthermore please subdivide the parcel post type packages which are delivered by ground shipment on a non-expedited basis between commercial and residential delivery.

PSA/UPS-2

On page 3 of its Intervenor's Statement, UPS states that in 1994 it paid the Postal Service in excess of \$38.9 million for its mailings, primarily in First Class Mail and Standard (A) mail. Please provide the total number of parcels and the dollar value of the postage on such parcels that were shipped as Standard (A) mail which met the Postal Service definition of non-letter, non-flat mail. Also, please identify what portion,

in volume and revenue, of the parcels shipped in Standard (A) were parcels that had been deposited with United Parcel Service by UPS customers for delivery.

PSA/UPS-3

On page 3 of its Intervenor's Statement UPS states that it faces greater financial risks than does the Postal Service. Please state for the record whether the Postal Service's proposed parcel post rates in this proceeding will have an adverse financial impact on United Parcel Service. If the answer is in the affirmative, please supply specifically the extent of the impact, including the number of packages it anticipates it will lose because of the proposed rates and the revenues represented by that lost volume.

PSA/UPS-4

On page 4 of its Intervenor's Statement UPS notes that it has a maximum weight and size limit on packages of 150 pounds and 130 inches in length and girth combined, and that the Postal Service limitations are correspondingly 70 pounds and 108 inches in length and girth combined. Please provide an estimate of the number of parcels handled by United Parcel Service, in the most recent period for which such data are available, that were in excess of 70 pounds and also how many were in excess of 108 inches in length and girth combined.

PSA/UPS-5

In Attachments A and B of the Intervenor's Statement, UPS lists for the last five years its revenues, its costs, and its annual volumes. For this five year period, please

identify the volumes, the revenue, the costs attributable to and the net income realized from its domestic, non-expedited transportation of parcels exceeding one pound, and those under one pound. If you are unable to disaggregate under and over one pound parcels, you may combine them in your response.

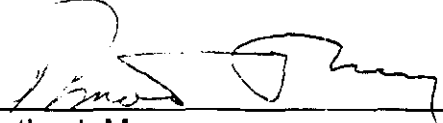
PSA/UPS-6

So that it is possible to compare parcel post rates with the rates charged by UPS for comparable ground transportation service, please supply the following:

- (a) UPS' published tariff for non-expedited ground transportation of parcels;
- (b) The gross percentage of the parcels described above that are carried at so-called "contract rates" that are lower than the applicable rates in the published tariff;
- (c) The average discount from published tariff rates for those parcels identified in (b) above.
- (d) The gross percentage of the parcels described above that are carried at rates higher than the applicable rates in the published tariff; and
- (e) The average surcharge above published tariff rates for those parcels identified in (d) above.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



Timothy J. May

Dated: January 28, 1998

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